

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4384
ANSWERED ON:19.05.2006
APPOINTMENT ON COMPASSIONATE GROUNDS
Athithan Shri Dhanuskodi

Will the Minister of FINANCE be pleased to state:

- (a) whether National Organisation of Bank Workers has urged the Government to restore compassionate appointment in Nationalised Banks;
- (b) if so, the details thereof; and
- (c) the reaction of the Government thereto?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) & (b) : Yes, Sir. IBA had earlier reported that the United Forum of Bank Unions demanded for restoration of compassionate appointment scheme in banks in its original form without any condition as regards economic criteria etc. and dispense with the scheme of cash compensation.

(c) :- The Hon`ble Supreme Court, in the case of Umesh Kumar Nagpal Vs. the State of Haryana (JT J994 (3) SC 525), in 1994, has, inter-alia, held that as a rule, appointment in the public services should be made strictly on the basis of open invitation of application and merit. In implementation of the norms laid down by the Hon`ble Supreme Court, a Model Scheme for payment of ex-gratia (lump-sum amount) in\_JiÂ£U\_fif compassionate appointment was circulated by the Indian Banks` Association (IBA) to all the public sector banks (PSBs) on 31.07.2004 which has since been adopted by 27 PSBs. The above issue was never a matter for discussion/negotiation at the industry level. The scheme is a non-statutory one and as such, is not enforceable. It also does not form part of service conditions and cannot be claimed as a matter of right by any employee. None of the rights of the employees is violated by the banks by switching over to a scheme of monetary assistance mJjejLfif appointment on compassionate grounds and therefore, no industrial dispute can lie in the matter.